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As Conservator For Western Corporate Federal Credit Union

8 UNITED STATES DISTRICT COURT  
9  
10 CENTRAL DISTRICT OF CALIFORNIA

11 1ST VALLEY CREDIT UNION; CASCADE  
FEDERAL CREDIT UNION;  
12 GLENDALE AREA SCHOOLS FEDERAL  
CREDIT UNION; KAIPERM NORTHWEST  
FEDERAL CREDIT UNION; NORTHWEST  
13 PLUS CREDIT UNION; STAMFORD  
FEDERAL CREDIT UNION; and TULARE  
14 COUNTY FEDERAL CREDIT UNION,

15 Plaintiffs,  
v.

16 DONNA BLAND, ROBERT BURRELL,  
JEREMY CALVA, WILLIAM CHENEY,  
17 LAURA CLOHERTY, GORDON DAMES,  
ADAM DENBO, DIANA R. DYKSTRA,  
18 JEFF HAMILTON, ROBERT H. HARVEY,  
JR., JAMES HAYES, WAYNE HOPE,  
19 DWIGHT JOHNSTON, JAMES P. JORDAN,  
TIMOTHY KRAMER, ROBIN J. LENTZ,  
20 SUSANNE LONGSON, JOHN M. MERLO,  
WARREN NAKAMURA, BRIAN OSBERG,  
21 DAVID ROUGHTON, TIMOTHY SIDLEY,  
ROBERT SIRAVO, DAVID TRINDER,  
22 DARREN WILLIAMS, RISKSPAN INC.,  
and DOES 1 through 100, inclusive.

23 Defendants

24 and

25 NATIONAL CREDIT UNION  
26 ADMINISTRATION BOARD AS  
CONSERVATOR FOR WESTERN  
27 CORPORATE FEDERAL CREDIT UNION,  
Intervenor.  
28

Case No.: CV10-01597 GW  
(MANx)

**JOINT STATUS  
CONFERENCE REPORT**

**Date: August 5, 2010**

**Time: 8:30 a.m.**

**Ctrm: 10**

1 Pursuant to the Court's order at the July 15, 2010 hearing on the motion by  
2 the National Credit Union Administration Board as Conservator for Western  
3 Corporate Federal Credit Union (the "Conservator") to substitute itself for the seven  
4 Credit Union Plaintiffs ("Plaintiffs") in this case, the parties report an issue on  
5 which they seek the guidance of the Court at the August 5, 2010 status conference.

6 The Plaintiffs understood from the last conference that the Court had granted  
7 them an opportunity to amend the Complaint to clarify their direct claims (and only  
8 direct claims) against the Defendants, and that the Court had further found that the  
9 Conservator did not have standing to challenge those claims. The Conservator  
10 believes that whether the new claims are "direct" claims (or, more precisely,  
11 whether they are outside the scope of the claims transferred to the Conservator by  
12 operation of law) depends on the particular allegations made in those claims.

13 The Conservator and Plaintiffs have conferred about the nature of the claims  
14 that Plaintiffs intend to assert as "direct claims" in a superseding joint amended  
15 complaint to be filed by August 31, 2010, and the Conservator believes that the  
16 claims, as described, are claims that were transferred to the Conservator pursuant to  
17 12 U.S.C. § 1787(b)(2)(A) upon imposition of the conservatorship. Plaintiffs  
18 believe that the claims they intend to assert were not transferred.

19 The Conservator and Plaintiffs both believe that (1) the issue of who owns the  
20 claims Plaintiffs intend to assert should be resolved before the litigation proceeds  
21 further; and (2) resolution of the issue will likely require that the claims be set forth  
22 in a pleading.

23 The Conservator and Plaintiffs seek guidance from the Court as to how it  
24 wishes to proceed with respect to this issue. They suggest that the issue be resolved  
25 on a motion by the Conservator to substitute itself as plaintiff in the new claims after  
26 the joint complaint is filed. They suggest that the motion be heard on a shortened  
27  
28

1 briefing schedule, perhaps on the Court's September 27, 2010 motion calendar. They  
2 are open to any other thoughts the Court might have.

3  
4 DATED: August 3, 2010

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6  
7 By: 

8 Michael H. Bierman  
9 Attorneys for The National Credit Union  
Administration Board as Conservator for  
10 Western Corporate Federal Credit Union.

11 DATED: August 3, 2010

PARISI & HAVENS LLP

12  
13 By:  mHB

14 David C. Parisi

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16 Cascade Federal Credit Union, Glendale Area  
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Credit Union, Stamford Federal Credit Union,  
and Tulare County Federal Credit Union

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